

"Our Family Caring for Your Family"

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April 13, 2011

State Representative Matt Huuki
Health Policy Committee
Michigan House of Representatives
State Capitol
Lansing, Michigan 48933

Dear Representative Huuki:

I understand that the Rural Hospital Patient Choice Act, House Bills 4441-4443 will be presented to committee tomorrow. This package of bills would remove all references and regulation of "short term nursing care beds," known as "swing beds" in Michigan statute.

Currently, Michigan is one of only three states which are regulated by the "5 day transfer rule" which was previously rescinded by Medicare. Patients and their physicians are given no choice in where they receive post-acute care and are required to transfer to a nursing home or long term care facility up to 50 miles away from their home as soon as they are discharged from the acute care setting. This ruling is effective even if the hospital has an approved swing bed program and even though no state dollars are spent on the care. If the Rural Hospital Patient Choice Act was put into effect, Michigan patients would be able to have the same access to care as individuals in 47 other states where swing beds allow patients to remain in the same facility as they received their acute care to continue their therapy with the goal of returning home.

This is especially important to Baraga County Memorial Hospital (BCMh) a critical access hospital. BCMh is poised to open a new facility on June 10, 2011. In the planning process and feasibility study work completed to obtain HUD Section 242 Financing, assumptions included in the feasibility study were 2 swing bed patients per day which amount to approximately \$1,000,000 in annual Medicare revenue (it is interesting that BCMh lost \$1m during the last fiscal year ended 9/30/100). Under the existing Michigan law in the past fiscal year BCMh has had no swing bed days.

In this western portion of the Upper Peninsula of Michigan, which has a considerable elderly population, the weather causes many issues with regard to travel. The current regulations put a hardship on the patient and family due to

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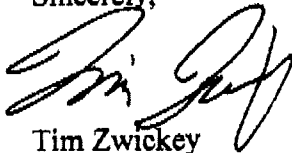
travel. The 50 mile radius is based on how the crow flies, and unlike the urban communities or some rural areas, our next nursing homes are in other counties. This means that a person may have to travel more than the expected 50 miles or one hour following our local highway systems, not taking into consideration road conditions or weather. Many of our elderly population will not drive in the winter months and transferring patients to another county prevents family from visiting which can increase the risk of depression for both parties and delay progress, forcing the patient to remain in a nursing home and costing the Medicare system more than if they had remained close to their support network. Our county does not offer any transportation services, public or private, to allow for those who do not drive to visit family members or loved ones in a distant nursing home.

In addition, transferring a patient to another county will also change their primary physician and support systems, such as home care, creating an issue for continuity of care. Patients will not be able to return home with the same services they had in the nursing home as not all of our local home care agencies will travel to other counties and patients will again be up against another change in their healthcare. Transferring an elderly person to a local nursing home within their county or being able to keep them in the swing bed program allows patients to remain connected to their local community and maintain the continuity of care, services and support they have been receiving.

I am asking you to support the Rural Hospital Patient Choice Act and to make a recommendation that it pass the full House. Keeping patients in a local swing bed when our local nursing home does not have any available beds provides the best patient care. Maintaining continuity alone reduces recovery time and saves federal funding.

Thank you for your consideration of this legislation.

Sincerely,



Tim Zwickey
Chief Executive Officer

TZ/fl